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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

2010 SEP 22 P 1:59

KRISTIN K. MAYES - Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

DOCKETED

SEP 22 2010

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF:

DOCKET NO. S-20757A-10-0373

RICHARD M. SCHMERMAN, individually and
d/b/a Diversified Financial and/or Diversified
Financial Planners, and Amy Schmerman, husband
and wife.

RESPONDENTS.

PROCEDURAL ORDER
(Schedules Pre-Hearing Conference)

BY THE COMMISSION:

On September 9, 2010, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Richard M. Schmerman d/b/a Diversified Financial and/or Diversified Financial Planners ("Diversified") and Amy Schmerman, husband and wife (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") and the Investment Management Act ("IM Act") in connection with Respondent Richard A. Schmerman's practices in business and securities matters which allegedly involved mishandling of client funds and misrepresentation.

The Respondents were duly served with copies of the Notice.

On September 20, 2010, a request for hearing was filed by the Respondents.

Accordingly, a pre-hearing conference should be scheduled.

IT IS THEREFORE ORDERED that a **pre-hearing conference** shall be held on **October 21, 2010, at 2:00 p.m.**, at the Commission's offices, 1200 West Washington Street, Room 100, Phoenix, Arizona.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) applies to this proceeding as the matter is now set for public hearing.


IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the

1 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
2 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
3 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
4 Administrative Law Judge or the Commission.

5 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
6 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro*
7 *hac vice*.

8 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
9 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

10 DATED this 22nd day of September, 2010.

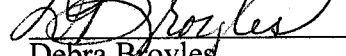
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12
13 
14 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

15 Copies of the foregoing mailed/delivered
16 this 22nd day of September, 2010 to:

17 Sara R. Ziskin
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Phoenix, AZ 85020
Attorney for Respondents

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Phoenix, AZ 85007

23 ARIZONA REPORTING SERVICE, INC.
24 2200 North Central Avenue, Suite 502
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25 By: 
26 Debra Broyles
Secretary to Marc E. Stern